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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION  
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In the Matter of )  
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Interconnection and Resale Obligations )  
Pertaining to Commercial Mobile Radio )  
Services )

CC Docket No. 94-54

**SUPPLEMENTAL REPLY COMMENTS OF  
GTE SERVICE CORPORATION**

GTE Service Corporation ("GTE"), on behalf of its affiliated telecommunications companies, hereby submits its reply to the supplemental comments filed in response to the FCC's *Public Notice* issued on December 5, 1997.<sup>1</sup> As discussed below, the record developed in this proceeding since the *Second Report and Order and Third Notice of Proposed Rulemaking*<sup>2</sup> reveals no evidence that carriers are negotiating in bad faith—or failing to negotiate at all—automatic roaming agreements. In the absence of a documented market failure, GTE believes that government intervention to regulate roaming agreements is unwarranted and will only distort the interplay of competitive forces in the wireless marketplace.

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<sup>1</sup> "Commission Seeks Additional Comment on Automatic Roaming Proposals for Cellular, Broadband PCS, and Covered SMR Networks," *FCC Public Notice*, CC Docket No. 95-54 (rel. Dec. 5, 1997) ("*Notice*").

<sup>2</sup> Interconnection and Resale Obligations Pertaining to Commercial Mobile Radio Services, *Second Report and Order and Third Notice of Proposed Rulemaking*, CC Docket No. 95-54 (rel. Aug. 15, 1996) ("*Third NPRM*"). Comments on the *Third Notice* were filed on October 4, 1996, and reply comments were filed on November 22, 1996.

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In its prior filings in this docket, GTE has opposed the imposition of an automatic roaming rule in the absence of evidence demonstrating anticompetitive conduct or bad faith by carriers. First, GTE noted that adopting new rules without clear evidence that such regulations are necessary runs counter to recent Congressional legislative initiatives, including the Telecommunications Act of 1996. Second, GTE observed that, absent evidence that the marketplace will fail to protect consumers' interests with regard to automatic roaming, market forces rather than regulation should govern CMRS providers' deployment and operations. Notably, GTE cited to its largely favorable experiences in concluding automatic roaming agreements over the past few years—as both an incumbent cellular carrier and a new PCS entrant—as corroboration that the market was fully functional. Third, GTE argued that, even if a CMRS provider attempted to discriminate against another carrier in providing roaming services, such conduct is already prohibited under the Communications Act and subject to the Commission's existing Section 208 complaint procedures. Finally, GTE stated that any FCC rules adopted at this time for automatic roaming could limit carriers' flexibility to deploy rapidly needed network modifications to further number portability. For these reasons, GTE argued strongly against the imposition of an automatic roaming requirement.

The comments filed in response to the *Public Notice* overwhelmingly support GTE's prior filings. The large majority of commenters, in fact, have argued against the adoption of an automatic roaming rule, including the three the largest CMRS providers'

trade associations.<sup>3</sup> Indeed, the few commenters advocating adoption of an automatic roaming rule have done so as a prospective, prophylactic measure<sup>4</sup> or to address circumstances that appear very fact-specific, isolated, and better redressed through the Commission's Section 208 complaint processes.<sup>5</sup> Utterly absent from the record is any evidence of the type of systemic discrimination that might justify government intervention. While it is true that many of the smaller carriers have just begun the process of negotiating roaming agreements, if any widespread patterns of conduct existed in favor of affiliates, incumbents, or any other class of carrier, the record would have revealed extensive abuse of the negotiating process. Under these circumstances, adoption of an automatic roaming rule would only disturb the competitive forces within

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<sup>3</sup> Comments of the American Mobile Telecommunications Association, Inc. , CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of the Cellular Telecommunications Industry Association, CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of the Personal Communications Industry Association, CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of 360° Communications Company, CC Docket No. 94-54 (filed Jan. 5, 1998); Supplemental Comments of AirTouch Communications, Inc., CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of BellSouth Corporation, CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of Centennial Cellular Corporation, CC Docket No. 94-54 (filed Jan. 5, 1998); Additional Comments of Nextel Communications, Inc., CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of the Rural Telecommunications Group, CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of Southwestern Bell Mobile Systems, Inc. and Pacific Bell Mobile Services, CC Docket No. 94-54 (filed Jan. 5, 1998); Further Comments of Sprint Spectrum L.P. d/b/a Sprint PCS, CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of United States Cellular Corporation, CC Docket No. 94-54 (filed Jan. 5, 1998).

<sup>4</sup> See, e.g., Comments of Cincinnati Bell Wireless Company, CC Docket No. 94-54 (filed Jan. 5, 1998); Comments of Meretel Communications, L.P., CC Docket No. 94-54 (filed Jan. 5, 1998).

<sup>5</sup> See, e.g., Supplemental Comments of Southern Company, CC Docket No. 94-54 (filed Jan. 5, 1998).

the marketplace and provide a ready vehicle prone to abuse by carriers seeking to obtain an illegitimate “upper hand” in the negotiating process.

In this regard, the Telecommunications Resellers Association has sought to expand the legitimate scope of even the proposed regulations to mandate an “automatic roaming” rule for resellers.<sup>6</sup> GTE believes, however, that resellers are neither favored nor disfavored by the existing marketplace, and no special treatment of resale issues is warranted. In fact, roaming is an issue between facilities-based carriers, whereby carriers negotiate to allow each others’ customers the benefits of networks they have constructed under mutually beneficial terms. Because resellers have no networks to “expand the pie,” they bring nothing to the bargaining table and there is no reason to believe that a reseller would be able to negotiate “better” or more competitive roaming rates than the rates negotiated by the facilities-based carrier. Indeed, because resellers are given the benefit of roaming agreements negotiated by GTE with other facilities-based carriers—and receive the same roaming rates as GTE—resellers benefit from the commitments GTE is able to make as a carrier. Nor is extending roaming to resellers a technically simple matter. Among other things, automatic roaming systems currently differentiate calls using the NPA-NXX code, with routing tables associating blocks of 1000 line numbers with specific facilities-based carriers. Because resellers obtain their numbers from the home market facilities-based carrier, their customers have NPA-NXX codes identified with the underlying carrier that

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<sup>6</sup> Additional Comments on Roaming of the Telecommunications Reseller Association, CC Docket No. 94-54 (filed Jan. 2, 1998).

could not be routed to the reseller absent costly, time-consuming and country-wide modifications to call identification, roaming verification, routing, and customer validation and billing systems.

GTE opposes the adoption of automatic roaming regulations as unnecessary and unwarranted. The record has demonstrated no discriminatory practices or bad faith by carriers in arriving at market-based automatic roaming agreements. In the absence of documented evidence of such behavior, automatic roaming rules will only introduce market distortions and provide a vehicle for abusive conduct. GTE therefore urges the Commission to abstain from intervening and adopting automatic roaming rules.

Respectfully submitted,

GTE Service Corporation and its affiliated  
telecommunications companies

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Dated: Jan. 20, 1998